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FISCAL IMPACT STATEMENT

LS 7558

BILL NUMBER: HB 1585

NOTE PREPARED: Jan 7, 2003

BILL AMENDED:

SUBJECT: Arbitration in Domestic Relations Cases.

FIRST AUTHOR: Rep. Summers

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill permits a county to operate an alternative dispute resolution program for domestic relations cases if the county: (1) uses a plan submitted to the Judicial Conference; and (2) obtains approval by a majority of the judges in the county exercising jurisdiction over domestic relations and paternity cases. (The introduced version of this bill was approved by the Commission on Courts.)

Effective Date: July 1, 2003.

Explanation of State Expenditures: The plan submitted to the Judicial Conference may include using senior judges as mediators in domestic relations programs. If the Judicial Conference approves the plan submitted by the county, this could increase the costs to the state General Fund if senior judges are appointed to perform as mediators in domestic relations cases. The added costs depend on the number of counties that offer alternative dispute resolution in domestic relations cases, the number of senior judges who are appointed by the Indiana Supreme Court, and the number of senior judges who would be willing to undergo training as a mediator.

Senior judges are individuals who have formerly served as trial court judges in Indiana. They are certified by the Indiana Judicial Nominating Commission and may be appointed if requested by a trial court to assist in a certain number of cases. A senior judge is entitled to \$50 per diem and reimbursement for mileage and reasonable expenses incurred in performing service as a senior judge, including, but not limited to, meals and lodging,.

For FY 2001, the Indiana Supreme Court reported that 65 senior judges worked on average 65 days and received \$784,020 for per diem payments and expenses.

Explanation of State Revenues:

Explanation of Local Expenditures: This bill would permit Allen County Circuit and Superior Courts to continue operating indefinitely an alternative dispute resolution program as part of marriage dissolutions. Courts in other counties would also be authorized to operate alternative dispute resolution programs in their counties if the majority of judges in these counties adopt an acceptable plan that is approved by the Judicial Conference of Indiana.

The Allen County program was originally created in 1997, and its authorization expired on July 1, 2002. Alternative dispute resolution programs use mediation, reconciliation, and parental counseling to assist parties in the dissolution actions to resolve their differences in a more cooperative manner.

This program was funded by a \$20 fee that was added to the filing fee for domestic relations cases. Parties who asked for a waiver of filing fees were given special consideration. Since the program began, the court has collected \$76,360 and has paid \$74,610 for mediation services, facilitator services, consulting services and counseling, and promotional and miscellaneous expenses. This bill would allow the Allen County courts to continue to assess this additional \$20 fee to continue funding this program.

A followup study being submitted to the Indiana Judicial Center concludes that over two-thirds of the cases mediated reached a partial or full settlement. This reduces court time and leads to better control of the court calendar.

Courts in other counties would also be authorized to operate alternative dispute resolution programs in their counties if the majority of judges in these counties adopt an acceptable plan that is approved by the Judicial Conference of Indiana. Participating counties would be required to submit a report to the Judicial Conference of Indiana by December 31 of each year summarizing the results of the program.

Explanation of Local Revenues: If these courts are permitted by the Indiana Judicial Conference to operate an alternative dispute resolution program, the court would be permitted to collect an additional \$20 fee on all filings for legal separation, paternity, or dissolution of marriage action. Implementation of a program could potentially improve movement of cases in the local court systems and reduce delay in the issuance of dissolutions.

State Agencies Affected: Indiana Judicial Conference.

Local Agencies Affected: Allen Circuit Court.

Information Sources: Magistrate Thomas Felts, Allen Circuit Court.

Fiscal Analyst: Mark Goodpaster, 317-232-9852